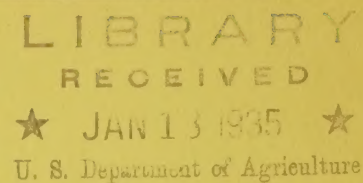


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INFORMING THE PUBLIC ABOUT THE A.A.A.

Remarks of Alfred D. Stedman, Assistant Administrator of the Agricultural Adjustment Act, at a round table on public relations of Federal Administrative Agencies at the annual convention of the American Political Science Association, Chicago, December 27, 1934.

To an unusual degree, the operations of the Agricultural Adjustment Administration depend directly upon individual decisions of great numbers of people, and upon the adequacy of their information in making those decisions.

The number of farmers participating in the AAA major crop adjustment programs now totals more than three millions, and for all of them participation means a series of personal choices. Though separately made, these choices determine whether large groups will act together in seeking the common objective of increasing agricultural purchasing power. The producers' choice lies between alternatives which are not remote nor trivial but immediate and human, affecting the man and his home, his planting and harvest, and the money he will have to spend for himself and his family. In order to be in a position to choose intelligently, the farmer needs to know the facts about proposals advanced under the Agricultural Adjustment Act. With enactment of this Act, farmers have acquired the unquestionable right to be given these facts, and the Administrators of the Act have a clear duty to supply the information so far as they can do so. This was recognized specifically by Congress, almost as soon as the AAA swung into its first operations, by amending the National Industrial Recovery Act to include the following:

'Notwithstanding any provisions of existing law, the Secretary of Agriculture may in the administration of the Agricultural Adjustment Act make public such information as he deems necessary in order to effectuate the purposes of such Act'.

The responsibility of the Adjustment Administration extends to all

producers, whether or not they participate in the adjustment programs; and not only the farmers but also the consumers, who pay a large share of the cost, have every right to expect that they will be fully and frankly informed about the Adjustment operations. The Adjustment Administration therefore freely acknowledges its serious obligation to the general public, including farmers and consumers, to make known the aims, the methods and the consequences of our plans.

Those whose imaginations have been challenged by the scope of the Adjustment operations will appreciate that such operations necessarily depend upon rapid dissemination of intelligence concerning farmers' economic problems and remedial programs. The Adjustment Act is a piece of pioneering legislation which invites large scale cooperation within groups of individuals who hitherto have been intensely competitive with each other. In addition, the Act actually affords agricultural producers some of the powers of government to help them exert a fair degree of cooperative control over their production, their prices and their incomes. In spite of difficulties, the producers already have participated in numbers unequalled in any cooperative undertaking in any other country.

The purpose of this is collective control over production to bring supply into better relationship with market demand at home and abroad. It is true that the extent to which the producer's control has been effective is obscured in the case of some crops by the worst drought in our history. But the drought, while wiping out some surpluses, has not removed the causes, such as loss of export markets, which brought about accumulation of oversupply. Hence the need for cooperative action by farmers to attain and maintain control of production has not diminished.

Informing the public, including the farmers, as to the ascertainable facts about supply and demand, with enlightenment as to the effects of alternative methods of adjusting supply and information upon all steps proposed to attain cooperative control of production, is vital in operations so extensive as those undertaken under the Adjustment Act.

I know information service of this kind has been criticized by some as government propaganda, but it is doubtful if the critics who dismiss it with that term have considered how high in the past has been the cost of ignorance, not only to farmers but also to the general public. Farmers were not informed in the 1920's about the effects on them of America's changed status resulting from the World War. Consequently they were caught unaware by loss of export markets, and by the resulting accumulation of enormous surpluses of farm products at home. The cost of ignorance and of failure to adjust ourselves to changed world conditions was a collapse of farm prices and a devastating shrinkage of farm income. Many farmers paid the penalty for ignorance even to the extent of losing their homes and farms, and the whole nation shared the cost of the economic disturbances which first shook agriculture, and then communicated themselves to the general economic structure. Those costs of economic ignorance and economic unpreparedness can not be precisely evaluated, but certainly the sum could only be reckoned in terms of billions.

The Agricultural Adjustment Administration operates on the theory that to be forewarned is to be forearmed, and that agriculture has a right to have advance information as a basis for cooperative attempts to avert such disasters in the future.

It is a simple thing merely to assert the need for informed cooperative action among farmers. But there is nothing simple about a million producers of corn and hogs or cotton, or half a million wheat farmers, making an actual attempt to carry out cooperative control of their production. Neither is there anything easy about the duty of affording so many people access to information they want in making such attempts.

By way of emphasizing the difficulties in such undertakings, the contrast between the problem for agriculture and for industry is illuminating. It is not hard for a few men having close control over large industrial units to inform themselves with remarkable accuracy and detail about important economic developments affecting their enterprises. Government reports help them, and in addition they can engage expert private advice. Vital knowledge can be transmitted almost instantly to the small circle of those who for business reasons must be fully informed.

Getting information disseminated to agriculture is a vastly different proposition. Not a few executives, but millions of individual farmers are involved. They are producing many different crops, in widely scattered areas and under all sorts of varying conditions. To afford them the essential facts about such variable factors as carryover supplies, export demand, foreign and domestic tariffs, domestic requirements, acreage and yield probabilities is a task far different from that faced by heads of centrally managed industrial enterprises.

In offering each of the major programs to the farmers, the Agricultural Adjustment Administration has made painstaking efforts to provide

all essential economic information in both technical and popular form. We have sought to place before the country the full facts of each program as it relates to the farmer and his problems of management, the benefits and costs, direct and indirect, to both producers and consumers.

There is no magic in the way commodity programs are devised by the Administrator, and his division and section heads. The first step in formulating any program is to obtain all available economic facts about the commodity, its relationship to other commodities and other essential data. In this, the Administration draws heavily upon the remarkably efficient research and fact-finding agencies of the Department of Agriculture. The Department's machinery for gathering facts about agriculture from every region of the United States and foreign countries was established long before the AAA was created. The reports of these fact-finding and research services of the Department have been indispensable to us. Crop and livestock estimates, indexes of farm prices, of industrial prices and of purchasing power, price analyses and forecasts, reports gathered throughout the world by the Foreign Agricultural Service, reports of weather conditions, farm management studies, outlook reports, market news reports, basic land studies and many others furnish the Agricultural Adjustment Administration with unbiased and reliable information on which to build its programs. When we need facts which they do not have, one or other of these agencies has cooperated in getting them for us.

The next step is to collate the facts gathered mainly from these sources and, in the light of the facts, to devise a program which seeks to carry out the purposes of the Agricultural Adjustment Act. The third step

is discussion of the program with farmers and their leaders, revision to strengthen weak points such discussion always reveals, submission in final form to farmers for approval, and finally, if sufficient numbers of producers sign contracts to cooperate, the placing of the program in operation.

In general, the Agricultural Adjustment Act represents an advance, in one important respect, beyond the fact-finding and research function. The purely objective and scientific work continues to be performed by the established agencies of the Department of Agriculture. But under the Act, we now are taking a new step by attempting to utilize the results of their objective inquiry as the factual basis for programs of cooperative action by producers. I suppose that there would be no convincing reason for existence of an AAA which confined itself to pure science and objectivity, because units of the Department of Agriculture were functioning in that capacity long before the Adjustment Act became a law. We regard ourselves as an agency to facilitate cooperative activity of farmers, not one for economic research or fact-finding. Devising a program requires reasoning from the facts, and presenting a program to farmers involves interpretation and the placing of greater emphasis upon some facts than upon others, according to experience and judgment of their relative importance. Hence, while we try at all times to keep the facts conspicuously in the foreground, we do depart from the objective attitude by devising and supporting a positive plan of cooperative action which is intended to improve the economic condition of agriculture. We are not neutral about carrying out the purposes declared by Congress in the Adjustment Act.

Somewhere, perhaps, though certainly not in this country, a method far different from ours might be attempted. This method might involve a great drive to force farmers into line with a program promulgated by Government decree. It might mean turning loose all the engines of emotion, fear, greed and hate that could be marshalled to sway a people, with a shackled press spreading propaganda as it was told. Such a procedure would remove much of the motive for care to base a program upon facts, because neither the facts nor the program would be subjected to scrutiny by the press, the farmers or the public, and the less real thinking was aroused about it the better. But if such a method might be tried out elsewhere, it could not be employed in this country by the AAA, even if we wanted to, which we do not. The Agricultural Adjustment Administration's vastly different procedure is designed to work in America where the press is free and critical and where democratic development requires that the people do more instead of less of their own thinking. The closer the AAA is observed, the clearer will appear the vital distinction between our methods and those just described.

The AAA will undertake a program only for those commodities whose producers feel the necessity for cooperative action and show clearly that they want such action. In any instance where a majority of farmers is opposed to the plan we have devised, or where farm opinion is so sharply divided as to jeopardize prospects of widespread cooperation, the proposed program is laid aside and not carried further. This actually happened last spring when we dropped our proposed dairy production control program after discussion in farmers meetings all over the country showed that dairymen were not in any substantial agreement on the plan. Thus we never attempt to superimpose any program on farmers. We are always moving with the current of farm opinion,

not against it. There are great advantages in the democratic method to which this country is accustomed.

An informed electorate is essential to the workings of a democracy, as Jefferson and Lincoln and other students of this form of government all have agreed.

Since under the AAA procedure, acceptability to the farmers as a basis for widespread cooperation is so important among the qualifications of any program, the producers or their representatives are consulted at every step in program planning. Representatives of farmers meet with our executive in discussions which begin when a program is first proposed, and these conferences are repeated at frequent intervals while it is under consideration. We constantly seek their advice on most questions arising as the program unfolds. When a tentative plan is finally worked out, it is taken to the field and presented, together with such factual data as are available, in regional public conferences with representatives of producers committees, the State Agricultural Extension services and farmers. These meetings and conferences are open to the press, and the more public discussion that is aroused of the issues involved, the better. The chiefs of our commodity sections carry the main burden in all this evolution of a plan. After the regional conferences, the program is revised and perfected in the light of criticisms and wishes of farmers disclosed in the regional discussions. Often, as in the case of the 1935 corn-hog plan, the revisions are extensive. The farmers' discussion usually brings out the most ingenious suggestions for surmounting difficulties.

The revised program goes back to the farmers for more thorough and general discussion in thousands of local meetings of their county production control associations. Final decision is made by the individual farmer when he determines for himself whether to sign a contract to cooperate.

When a program is offered to farmers, response is expected on the basis of the facts which form the foundation of the program, together with the reasoning from those facts. An important element is that before they had the Adjustment Act, farmers endeavoring by themselves to cooperate for production control were often thwarted because so many, refusing to join, increased their production in the hope of profiting at the expense of the cooperating producers. No farmer had any assurance that if he reduced his production, a sufficient number of others would do the same. But the Readjustment Act provides for payment of benefit payments only to those farmers who do cooperate. Hence the programs are devised to make it more profitable for farmers to cooperate than to decline to do so. In this way instead of being opposed as they were in the highly competitive condition in agriculture, group interest and individual interest now can be identified with each other.

Farmers as a group are better informed than many people suspect. They are very intelligent critics, for the most part, of programs of any sort which affect their business. They want full information on which to base their decisions. The facts which, in preliminary discussions with their representatives, led to the conclusions embodied in the program and calling for a given course of action also usually lead most of the rank and file of farmers to the same conclusions. Naturally, there is room for different conclusions. The Adjustment Administration never has set itself up as infallible.

Not only the facts, but also the reasoning from the facts are spread out for public inspection and criticism. We make every effort to bring factual and interpretive information about a program to the attention of

farmers in ample time to provide every opportunity for full discussion in their association meetings before the date for signing contracts finally arrives.

This calls for prompt dissemination of announcements. There are a great many highly efficient means of distributing information in the United States. We cooperate with the press, radio networks and local stations, and with informational services of all kinds. The immense machine which has been set up by newspapers, magazines, the radio and special informational services for gathering and distributing general information and opinion in Washington has naturally turned to the Adjustment Administration as the center of a great many happenings of interest to their readers and listeners.

The press itself is divided into three or four main groups, each having distinct requirements which we try to serve. First are the daily newspapers carrying all general news, with their national news services and special correspondents in Washington. Then there is the weekly press, consisting of weekly newspapers in nearly every community, wanting to publish developments of national plans which have a special bearing upon their own locality. Third, there are the farm journals and agricultural magazines, devoting themselves largely or exclusively to agricultural news and articles, and having a large and influential clientele of farm readers. Besides these, there are important publications in the agricultural processing and food trades, and the national magazines interested in current information on all developments of nation-wide interest.

The Adjustment Administration endeavors to make available all the information it can to these agencies. These different kinds of information agencies publish their own accounts and interpretations based on inquiry by themselves or their representatives into official and other data and

written for their own special clientele or field of interest.

To the press, we attempt in many ways including distribution of mimeographed announcements to make available accounts of events as they occur. It is up to these informational agencies to do as they please with this information. Sometimes, to our temporary discomfiture, some of these agencies are ahead of us. Newspaper men particularly provide frequent instances of individual initiative in anticipating events, new policies and programs. Those who read newspapers and magazines widely will recall many examples of skillful reporting of developments in the AAA. We do not conceive it as part of our function to interfere with enterprise of this sort, but rather to help it along, so far as we can possibly do it consistently with an even break to the press. Genuine reporter interest, which goes beneath the surface of the day's news grist into the elements of important economic situations is the greatest kind of an asset. Hence we try whenever possible to give reporters access to original sources of information. Sometimes misinformation of consequence becomes general. But eventually when that happens it usually stirs up so much interest as to enhance the news value of correct information, finally calling widespread attention to the facts when they can be announced.

On the whole, the newspapers and other information services have performed, conscientiously and well, a service to farmers and the public in providing honest intelligence regarding the movements of the Adjustment Administration in its task of increasing farm purchasing power and advancing national recovery. On the basis of our experience thus far, it is possible to believe that programs of action, depending for their success upon growing public understanding of the facts, have an exceptional chance to succeed in this country. Our experience is such as to buttress rather than to

fices. Information is still further localized by the county agent, who tries to help keep his community informed through the weekly press. In these various ways, the news reaches the farmers in terms of state, regional and county areas and in relation to special types of farming enterprises carried on there. Frequent requests are received from the farm journals, magazines and various periodicals and syndicates for special articles by our executives, or authorized by the Administration. The demand for such informative articles has been much greater than we could supply. In these articles it has been the policy to try to tell the story of AAA operations with a careful regard for ascertainable facts, and when there is doubt about results to say so.

There is a reason for this. The Adjustment Administration is not engaged in attempting to sell and run, nor does it regard itself as a flash-in-the-pan emotional crusade. Rather, it conceives of its function, as I have said before, as being a clearing house for cooperative activity by farmers in carrying out programs along lines which the great majority have themselves felt are needed in view of the completely changed world situation in agriculture arising out of new national and international policies since the World War. Convinced that we have evolved a commodity program which fits the facts and is practical of administration, the Adjustment Administration frankly recommends it to farmers, but we are opposed to systems of forcing their participation either through dishonest misstatements, through fanning emotions or by appeals to prejudices. We have no faith in the permanency of achievements gained by "whoop-it-up" technique. We assume that farmers are realists and so far we have had no reason to change our minds.

We must try to retain a critical attitude toward our own programs. We have

no time nor energy to spend upon trick publicity, and not much respect for it anyway. We know that the AAA has a sufficiently serious and difficult job, without taking on unnecessary handicaps of that kind. The primary objective of the AAA is not to make the front page but is to conduct a useful operation through practical and efficient administration of powers and duties given it by Congress. Public enlightenment happens to be an important supplement to good administration, but without a practical operation competently planned and managed, there would not be any worthwhile information about it to disseminate.

The Agricultural Adjustment Administration publishes not only reports of its official acts but has been giving more and more attention to the preparation and distribution of comprehensive studies of pending farm problems and of plans or alternative proposals for action under the Act. Recent examples are a report on the effects of the processing tax on producers and consumers, a pamphlet on "Achieving a Balanced Agriculture", discussion of the foreign and domestic cotton problem in relation to the 1935 cotton program, material on the corn-hog adjustment plan for next year and a forthcoming report showing in statistical form agriculture's interest in foreign trade.

Much of this material requires long and careful preparation. This is partly in order to achieve a clear-cut and easily understood presentation of the facts, and partly because in the field of economics the facts are frequently involved, complex and difficult to reduce to simple form and require careful checking to avoid errors. We want our announcements to be truthful and candid, not mere half-truths, distortions or superficialities. Outside of the question of ethics, we believe that to tell the truth is the best policy and the Secretary and Administrator

keep a wary eye on exaggerated claims or outbreaks of excessive enthusiasm over what will happen or has happened in connection with a given policy.

Without question, one of the real problems of democracy is for citizens to obtain information about the fundamentals of economic life in words understandable to the average man. In describing our aims and purposes in this direction, I make no pretense that they have been attained. Our efforts often seem to me to be most inadequate compared with the real need for enlightenment. From its very nature, the usefulness of the Agricultural Adjustment Act depends upon the ability of farmers to get the information they want about ways to cooperate with each other and upon keeping the interested public abreast with the essentials of their activities.

The open policy on information is consistent with and inseparable from the function under the Act which depends upon the individual judgments of millions of individual farmers. This policy, as I said, is far different from highhanded alternatives, but it is well suited to a nation striving to make a new step along the road from political to economic democracy. But even so, the open news policy does have its limitations. A government unit like the AAA scarcely ever can be quite so transparent as some newspapermen think it should be. For example, the conscientious official in government deserves protection against the impact of pressure from powerful private interests seeking some concession he is opposing in the public interest, and this protection is possible only if his identity is cloaked by the impersonality of the whole Administration. Conversely, it would be most improper for officials to make personal use of information channels in such a way

as to expose responsible executives to great pressure at the moment they were striving to reach unbiased decisions on public issues.

Nevertheless, by and large the open news policy is the only kind that meets the needs of the general public, including the farmers, nor information about their economic problems. I suspect that if, instead of this policy, the so-called arts of publicity were substituted, these arts would not deceive for very long the people who are interested in important realities, and not in mere illusions about the AAA.

We know that our task of giving wide access to information is not complete so far as farmers are concerned with the presentation of the facts and objective interpretations of those facts. We know that we need discussion by these farmers, making it possible for them to think through their problems with relationship to the cooperative programs proposed under the Act. Therefore, while it may hurt our feelings when we are attacked, we know that, philosophically, those attacks, even though based sometimes on misinformation or distortion, ultimately force thought processes to function where otherwise they might not. Life is dynamic and progress continues to involve a thoughtful sifting of the true from the false. The critical and discriminating press has been of real service to us in pointing to situations that needed correction, and which we did correct. Those few newspapers which are unable editorially to see anything good in anything the AAA has done, may be reassured that, after all, they are not going to be injured if the Adjustment Act should happen to result in improving the condition of agriculture in some respects.

My own guess is that any Adjustment Act functions which may be proved through time and experience to be of real value to agriculture and the nation will not be abolished by biased and extreme verbal assault.

Meanwhile all discussion probably contributes somehow to the discovery of truth.

It is essential to get considerable detailed information directly to the farmers. Printed contracts, brief explanatory statements and administrative rulings under the contracts go right into their hands. The county agents and county production control association leaders handle the work of distribution.

Real satisfaction has come from the fact that the programs so often have stimulated keen discussion among farmers in their own meetings. We have reports of lively arguments, debates, and employment of the forum method. A rumor gets started in some territory, accidentally inspired, or perhaps spread by those who have something to gain from defeating some pending farm program. Later we hear about these stories and how they have caused many persons hours or even weeks of misapprehension about the cause or effect of certain policies. But good sense, plus the availability of facts, plus discussion, results in finally relegating the erroneous rumor to its proper sphere.

In its efforts to encourage farmers to debate the issues and make their own decisions after discussion, the Adjustment Administration lately has gone a step further than before and has utilized the device of the referendum for obtaining decisions on programs by the farmers themselves. It was first employed in the case of corn-hogs and then in cotton and tobacco, with the farmers voting by ballot and making their own determination on a general course of action. In the case of the corn-hog referendum, more than 500,000 farmers voted, while over 1,500,000 cotton growers voted in the Bankhead Act referendum December 14. These referenda have proved greatly stimulating to public debate, and a source of news for every city and country newspaper. One of the finest news exploits of

the year touching the AAA was the Associated Press coverage of the Bankhead Act referendum. This news agency set up elaborate machinery for gathering returns and gave morning papers of December 15 a detailed and comprehensive announcement of the farmers' endorsement of the Act. The large proportion of the total number eligible to vote who did vote in these referenda indicates that possibly much greater participation may be expected in elections where people can express themselves directly on economic issues than the participation usual in political elections.

Addresses are made and articles are written by Administration executives dealing with the philosophy of the farm program, detailing facts, presenting interpretations and reviewing results. Most of these addresses do not qualify as oratory, nor do they produce sensational news. Secretary Wallace and Chester Davis, Administrator, both of whom are experienced editors, have sought in these speeches and articles deliberately to raise questions in an effort to stimulate thinking not only by farmers but by the public. An example is the question of nationalism, versus internationalism or a middle course raised by Secretary Wallace in "America Must Choose". Addresses by Secretary Wallace, Mr. Davis and other executives are important because they are making policy, describing practical problems of administration, and looking ahead to future developments which may affect the whole country. Consequently these addresses are widely quoted in the press, are referred to by those who want to follow the thinking of the Administration, are reprinted in periodicals and studied by scientists and businessmen, while copies are sought by farmers and many other people.

I hope I am not leaving the impression that our sole interest is in getting information out of the producers most directly concerned in

our programs. The Adjustment Act is designed to help agriculture as a means of general recovery. The Administration wants its plans to be sound from a general public point of view. Besides the continuous scrutiny given us by the press, we have welcomed objective inquiry by trained observers, and research workers. One example of this is the scientific study of our plans which has been under way since the AAA was established and is being made by economists of the Brookings Institution under direction of Dr. E. G. Nourse. Independent factual reports by the Brookings Institution already have been made public on Adjustment Administration operations as to cotton, wheat, dairying, corn and hogs. Books of a critical and analytical nature now are being written by Brookings Institution research workers on our work as to livestock, dairying, marketing agreements, tobacco, wheat and cotton. These research workers have been given free access to our records and our men in gathering information. We also have been called upon for information by scientific men and institutions in many parts of the world, and have endeavored to prepare reports of sufficient precision and clarity to be useful to them. We have welcomed objective study of our operations.

Acknowledging special responsibility to consumers, we have endeavored to procure and make public information concerning the effects of our programs upon the consumer. In instances where clear attempts were made to use the processing taxes as excuses for pyramiding or profiteering, these attempts have been exposed by publicity and have been thwarted in the interests of consumer protection. The AAA publishes the Consumers' Guide which contains information of special interest to the consumers.

There has been one very significant result of the new need for information and the use of information by farmers and the public. I believe

that the economic problems of agriculture and their broad social implications are more widely appreciated and understood than any time before in the nation's history. I believe that the advantages and disadvantages, the merits and short-comings of the programs undertaken to date have been more intelligently evaluated than programs of any sort affecting farmers before. I believe that we are a long way from achieving general understanding, but the fact that the approach has been a rational one, rather than one depending less upon intelligence than upon emotion, prejudice, illusions, hate and misunderstanding, means that a contribution to the functioning of a free democracy has been made.

The present Administration is attempting, through traditional American methods, to find solutions for the economic problems which beset the nation. The problems are intricate and to some extent technical. In this situation channels and sources of information, through which the people may keep in touch with the facts, are indispensable.

